## Amendments to the Specification:

Please replace the paragraph beginning at page 5, line 25 with the following amended paragraph:

In a second step of the method, a layer 33 of conductive material (typically Iridium) is formed over the Al<sub>2</sub>O<sub>3</sub> layer 31. Hardmask elements 34 are formed over conductive layer 33, substantially above the plugs 3. These hardmask elements 34 are formed by a process in which a hardmask (TEOS) layer is formed over the conductive layer 33, then a resist layer is formed over the TEOS layer, then a lithographic process is performed, then a harmmask hardmask open (oxide RIE) process, and finally an ashing process. Although only two such elements 34 are shown in Fig. 7, it is to be understood that the structure shown in Fig. 7 is only a portion of a complete structure which extends to either side of the part shown in Fig. 7, with a periodicity equal to the spacing of the hardmask elements 34. The hardmask elements 34 may, as viewed from above, be for example square or rectangular areas, or they may be a layer containing gaps of any of these shapes. Etching is carried out using the hardmask elements 34 to form openings 35 in the conductive layer 33. In the openings 35, the entire thickness of the conductive layer 33 is preferably completely removed (and optionally also an upper part of the layer 31). A thin layer 34 (typically in the range 1nm to 15nm) or IrO2 is then formed over the sides of the remaining portions of the conductive layer 33 by PTO (rapid thermal oxidation) in an atmosphere containing oxygen, to give the structure shown in Fig. 7. The IrO<sub>2</sub> improves the crystallinity of the capacitor.

Please replace the paragraph beginning at page 7, line 15 with the following amended paragraph:

Firstly, as shown in Fig. 11, the etching step which is performed between Figures 8 and 9 above may be continued to the point that the layer 42 extending over the insulating layer 31 is completely removed. This would have the advantage of making makes—the electric field more uniform at the edges of the layers 41.